

Source: My Republica, February 9, 2020

## Nepal, China likely to trade 2,000 MW of electricity by 2030

RASUWA, Feb 9: Nepal and China are likely to exchange 2,000-megawatt electricity within 2030. According to the Ratomate-Rauwagadhi-Kerung 400 KV Transmission Line Project, in the upcoming 10 years, 2,000-megawatt electricity can be imported and exported as per the initial report of load flow.

The project is currently testing load flow from two points of India and one point of China. Dhalkebar and Gorakhpur from India and Rasuwagadhi-Kerung point of China are being studied.

According to Komalnath Atreya, project head, electricity can be imported and exported from China and the study is going on to accomplish the goal. The outbreak of coronavirus has affected the work of the Chinese side which has delayed the work of combined load flow test.

“The technical group has seen flow all over Nepal and they studied the megawatt of initial flow,” said Atreya, “The study has shown that in the initial phase, 2,000-megawatt electricity can flow.” After the research is completed, the Detailed Project Report (DPR) will be prepared.

The design of the sub-station will be constructed according to the test of load flow and necessary equipment will be imported. Nepal Electricity Authority (NEA) from Nepal and State Grid of China are testing the load flow.

## **Permission granted to perform EIA**

The Ministry of Forests and Environment has provided the permission to the project to carry out the Environmental Impact Assessment (EIA).

According to the project officials, they will have discussions with stakeholders in mid-February. The work of EIA will be completed within 15 months, according to Atreya. The project will hold public hearings in Rasuwa, Nuwakot and Kerung.

After the construction of the transmission line, China will purchase electricity produced in Nepal. It will be the first inter-country transmission line with China. Nepal. The transmission line will have capacity of 5,000 megawatt.

There will be a sub-station in Ratomate in Nepal and the Chinese side sub-station will be in Gyirong County of Tibet. The distance between Rasuwagadhi border point and Ratomate is 70 kilometers. The inter-country transmission line is expected to be completed within six years.

Currently, Nepal has connected transmission lines in 11 places with India. The Chinese government is planning to construct transmission lines in seven continents under the Belt and Road Initiative within 2030. Once the transmission line is connected to China, Nepal will be able to sell electricity to third countries through India.

Source: My Republica, February 10, 2020

## Upper Karnali Hydropower Project likely to sign PPA by May

KATHMANDU, Feb 10: The Upper Karnali Hydropower Project (UKHP) is likely to sign the Power Purchase Agreement (PPA) within three months as it has received the letter of intent (LoI) from the government of Bangladesh.

The Indian company GMR Energy which is developing the hydropower project had received the LoI from the Bangladeshi government on January 30, 2020. "With this, a door to expedite the PPA signing has been opened," said K K Sharma, project head at GMR Upper Karnali Hydropower, "We are preparing for bank guarantee of US\$ 5 million and it will be submitted within the next two weeks." Sharma shared that the signing will take place in May if everything goes as smoothly as the company has planned.

The tariffs, terms and conditions of the PPA with GMR Energy for the import of 500 MW to Bangladesh were finalized last year. The 900 MW export-oriented project will supply power to India and Bangladesh. The project plans on developing its own transmission line to evacuate the electricity it generates. The Indian party will get IC 4 paisa per unit as a trading margin for transmitting the power to Bangladesh. The supply of power to Bangladesh from India is expected to become exemplary in terms of regional power trade agreement.

A GMR official said that the company is trying to maximize the participation of Nepali banks for the financial closure. "With the engineering, procurement and construction (EPC) closing, it will be easier for the company to know the actual construction cost," Sharma added. The company has categorized EPC into two

packages: EPC-I for civil hydro-mechanical and EPC-II for electromechanical works. “We want to call for the commercial discussion by the end of this month,” he said. The estimated budget for the completion of the project is \$ 1.5 billion.

The project was awarded to GMR through a competitive bidding process in 2008 as an export-oriented project aimed at the Indian market. Nepal will receive 27% free equity and 12% free energy from the Upper Karnali project. This amounts to 108 MW of electricity, approximately equal to 15% of the current installed capacity in Nepal. The Upper Karnali Hydropower Project is the first trilateral power trade project in South Asia.

Source: My Republica, February 11, 2020

## Government to provide full compensation for land acquired for transmission lines

KATHMANDU, Feb 11: The government is planning to provide full compensation for land acquired for electricity transmission lines. Barshaman Pun, Minister for Energy, Water Resources and Irrigation, has said that the government is planning to provide full compensation to those whose land is occupied by the government for transmission line during the inauguration of the statue of late Post Bahadur Bogati in Nagarkot.

According to Pun, the government is working forward to complete the target to produce 5,000 megawatt electricity in the upcoming 5 years and 16,000 megawatt electricity in 10 years and the construction of transmission line for distributing electricity is rapidly progressing. "Working procedure is being prepared to provide compensation to land which lies below the transmission line," said Pun.

Earlier, the government only provided partial compensation on land acquired for transmission line. According to Pun, the government has added 400 megawatt electricity in two years and the total production is now 1,300 megawatt. In the current fiscal year, the government plans to add 456 megawatt electricity of Upper Tamakoshi along with 1,000 megawatt electricity from other hydropower projects to the national transmission grid. "We are becoming independent in electricity from this year," said Pun, "We were importing electricity worth Rs 18 billion from India but from this year, we will not be importing electricity."

Pun said that a large number of hydropower projects are being constructed in Rasuwa and Nuwakot and local residents have been supportive of such projects. Pun also paid homage to late Bogati during the function at Chandeshowri school and acknowledged his contribution to the country.

Source: My Republica, February 11, 2020

## Rasuwagadhi Hydropower faces problem in tailrace tunnel digging

RASUWA, Feb 11: The under-construction Rasuwgadhi Hydropower Project in Rasuwa has faced a problem in digging of tailrace tunnel due to weak geological conditions.

Of the total 660 meters, weak geological condition has affected tunnel digging work in about 70-meters section, according to the project office. "Weak geological conditions have slowed our work progress. It will now take six months to complete the tailrace tunnel," an official of the project said.

Works in dam site and surge shaft area has also been affected due to security reasons. According to the project office, work in dam site was affected for nearly six months due to the landslide in June last year.

The project work has also been affected due to coronavirus outbreak in China. According to Chhabi Gaire, chief of the project, only around 100 Chinese workers are at the project site these days. "Before the outbreak, we had about 200 Chinese works. The workers, who returned home for New Year celebration, have not returned," he added.

The project based in Timure of Gosainkunda Rural Municipality-2 has achieved 75% work progress. The tailrace tunnel is being built by the project's civil contractor China International Water and Electronic Corporation (CWE).

The construction of 111-megawatt project started in 2014. As per the construction schedule, the project had to be completed by August, 2017. But the 2015 earthquakes and numerous floods and landslides affected the project.

The plant will generate 613.87 GWh of energy annually and will earn Rs 12.5 million per day.

The project is estimated to cost Rs 13.68 billion. Chilime Hydropower Company Limited, a subsidiary of Nepal Electricity Authority (NEA), holds 33% stake in Rasuwagadhi Hydropower Company Limited. Likewise, depositors of Employment Provident Fund own 19% of shares, while NEA employees and general public hold 18% and 15% of the shares, respectively. Locals of the project-affected area own 10% of the shares, while employees of promoter company and lender organizations own 3.5% and 1.5% of the shares, respectively.

Source: The Rising Nepal, February 11, 2020

## Nyadi Hydro Project Stalled As Chinese Fail To Join Work

By Our Correspondent, Lamjung, Feb. 11: Coronavirus outbreak in neighbouring China has affected the work on the Nyadi Hydropower Project in Lamjung.

According to the project, work has stopped because the Chinese supervisor, engineer and other technicians have not been able to leave their country. “They went home to celebrate the Chinese New Year, but were then stuck there because of the Chinese government’s decision to ban its citizens from leaving the country,” informed Basudev Gadtaula, administrative officer of the project.

According to Gadtaula, there are 61 Chinese nationals working in the project, out of which, 57 had gone to China and only two managed to return. “With 55 of our workers stuck in China, work on the project has stopped for now,” he said.

The project, being constructed on the Nyadi River, has been stalled for about a month. “The project is led by the Chinese and in their absence, even the Nepali workers can’t work,” stated Bijay Gurung, the project’s public relations officer.

The 30 MW project is being constructed by the China-based Zhejiang Hydropower Construction and Installation Company Limited.

Source: The Himalayan Times, February 12, 2020

## NEA submits new electricity tariff to NERC for approval

Nepal Electricity Authority (NEA) has submitted the revised electricity tariff to Nepal Electricity Regulatory Commission (NERC) for approval.

After the NEA board approved the new tariff rate last week, the power utility forwarded the proposed electricity tariff rate to the commission on January 29, as per Prabal Adhikari, spokesperson for the authority.

In a bid to increase electricity consumption, NEA had prepared a draft 'consumer tariff rate' on January 28 to reduce the power tariff levied on all types of customers.

This is the first time the power utility has proposed a tariff rate aimed at encouraging electricity consumption in contrast to its earlier policy targeting to minimise the use of electricity.

NEA has categorised various types of customers, including general customers, other customers, time of day (TOD) users and community users and proposed different electricity tariff for each category.

Dilli Bahadur Singh, chairman of NERC, said they had received the new electricity tariff rate submitted by NEA. "We have started assessing whether the proposed tariff rate is suitable or not in the present context as the country is going to have surplus energy from the upcoming fiscal year."

Singh further said it will take a few months to finalise the proposal as discussions will have to be held with a wide range of concerned stakeholders for the final approval.

As per the existing tariff rate, general consumers pay five rupees per unit for consuming up to 20 units. The rate shoots up to Rs 13 per unit for consumers of above 400 units. The proposed draft has hiked the rate for minimum consumption of up to 20 units to Rs 11.5 per unit, but the rate drops to three rupees per unit for consumption of over 400 units.

Adhikari informed that NEA has also proposed not to impose service charge for consumption of less than 10 units per month. NEA charges three rupees per unit as service fee.

For the first time, NEA has proposed the tariff rate for charging electric vehicles in charging stations. The power utility has proposed Rs 11.20 per unit for peak hours (5:00pm to 11:00pm), Rs 4.45 per unit for off-peak hours (11:00pm to 5:00am) and Rs 10.10 per unit for normal hours (5:00am to 5:00pm) during the wet season. Similarly,

Rs 11.20 per unit for peak hours (5:00pm to 11:00pm) and Rs 10.10 per unit from 11:00pm to 5:00pm will be levied during the dry season.

Earlier, Minister of Energy, Water Resources and Irrigation, Barsha Man Pun, had announced that the government was preparing to remove the subsidy provided to consumers of liquefied petroleum gas and transfer that amount to provide subsidy on electricity from the next fiscal. In this regard, the government is preparing to provide 10 units of electricity free per month for those who only consume up to 20 units a month.

Source: My Republica, February 13, 2020

## Budhigandaki Hydropower Project distributes Rs 28 billion compensation

GORKHA, Feb 13: The national pride project, Budhigandaki Hydropower Project, has distributed a total of Rs 28.18 billion to acquire private land. According to the project officials, the amount for the acquisition of 45,777 ropani of land in Gorkha and Dhading districts belonging to 21,159 households has been released.

Project Chief of Reconstruction and Resettlement Unit, Krishna Bahadur Karki said that Rs 14.79 billion was released to 7,831 landowners for 23,331 ropanis of land. Rest of the amount was dispersed in Dhading district.

Of the total 3,000 displaced households, 1,672 are from Gorkha and the rest of the households are from Dhading district. The project has distributed compensation to affected people of Arughat and Arkhet of Gorkha, and, Bishalnagar and Khahare of Dhading. According to Karki, 130,000 ropanis of land will be acquired for the project. "The compensation distribution is in its final phase," project chief Karki said. "Most of the landowners except those who have their land ownership certificates as collateral with the banks have submitted their certificates to the project."

The details on the number of households in the market area have not been prepared and the deduction of depreciation in compensation that has already been distributed has not been finalized. "After the Ministry of Energy sent a letter with the suggestion to not deduct the depreciation, the Ministry of Finance has taken the project's opinion," he said, "We have already sent the reply and

after the ministry makes a decision, compensation distribution of households will start.” He stated that the project has plans of distributing the compensation within the current fiscal year. According to the project officials, the chance of deduction in depreciation is very less. Environmental Impact Assessment (EIA) report of the project states that 1,672 households of former 14 village development committees (VDC) will be displaced. The compensation rate has not been fixed in these areas.

The project office has plans of managing the government structures and land to be inundated in another place so it does not have to be compensated. Similarly, the project does not have any plans on providing compensation to affected government schools, health post and organizations. Karki shared the plans of handing over the structures in the areas where the affected households have been resettled. District Compensation Committee has decided to send a team in a few days to get the details of the households in the market.